

POLICY NOTE

THE COUNCIL TAX REDUCTION (SCOTLAND) AMENDMENT REGULATIONS 2023

SSI 2023/113

1. The above instrument is made in exercise of the powers conferred by sections 80 and 113(1) and (2), paragraph 11 of schedule 1 and paragraph 1 of schedule 2 of the Local Government Finance Act 1992. It is subject to the negative procedure.

The purpose of these Regulations is to amend:

- **The Council Tax Reduction (Scotland) Regulations 2021; and**
- **The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012.**

To fully disregard the retrospective payments of widowed parent's allowance and bereavement support payment made to the survivors of cohabiting partnerships when calculating an applicant's capital for the purposes of entitlement to a council tax reduction.

Policy Objectives

2. This instrument amends the Council Tax Reduction (Scotland) Regulations 2021 (“the Working Age Regulations”), and the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 (“the Pension Age Regulations”)
3. The Bereavement Benefits (Remedial) Order 2023 came into force 9 February 2023. This allows for cohabiting parents with dependent children who need support following the death of their partner to qualify for DWP bereavement benefits, in the form of Bereavement Support Payment and Widowed Parent’s Allowance. Previously these were only available to eligible bereaved parents who were married or in a civil partnership.
4. As the Order allows for retrospective payments (paid in relation to deaths before the Order comes into force) the DWP has opened a special 12-month application window for bereaved parents with dependent children whose partner died before 9 February 2023. The bereavement benefit and amount they are entitled to will depend on when their partner died. To qualify, claimants must have met the eligibility criteria for either Bereavement Support Payment or Widowed Parent’s Allowance on or after 30 August 2018.
5. Those who qualify for retrospective entitlement will receive a lump sum payment. This instrument has the effect of preventing such payments from affecting entitlement or eligibility to a Council Tax Reduction which is otherwise dependent on the amount of capital a person has. For the same reasons, DWP has made similar amendments to their means-tested benefits (including Housing Benefit).
6. Specifically, schedule 4 (capital to be disregarded) of the Working Age Regulations is amended to ensure that any retrospective payments are not regarded as capital in the calculation of entitlement to CTR and will be disregarded for a period of 52 weeks. This

period will run from the date the payment is received or, where it is received before these Regulations come into force, from the date of the coming into force of the Regulations.

7. Schedule 4 (capital disregards) of the Pension Age Regulations is similarly amended to ensure that any retrospective payments are not regarded as capital in the calculation of entitlement to CTR and will be disregarded for a period of 52 weeks. This period will run from the date the payment is received or, where it is received before these Regulations come into force, from the date of the coming into force of the Regulations.

Consultation

8. No formal consultation was required to be carried out in relation to these Regulations.

Impact Assessments and Financial Effects

9. This instrument amends existing Working Age Regulations and Pension Age Regulations. There are no specific impact assessments. The amendments will not have a material impact on the cost of the scheme.

Local Government and Housing
Scottish Government
28 March 2023